AMENDED IN ASSEMBLY APRIL 29, 2014 AMENDED IN ASSEMBLY APRIL 8, 2014

CALIFORNIA LEGISLATURE—2013-14 REGULAR SESSION

ASSEMBLY BILL

No. 2153

Introduced by Assembly Member Gray

February 20, 2014

An act to amend-Sections 78230 and Section 89708 of the Education Code, relating to the postsecondary education.

LEGISLATIVE COUNSEL'S DIGEST

AB 2153, as amended, Gray. Postsecondary education: course offerings.

Existing law establishes the California Community Colleges under the administration of the Board of Governors of the California Community Colleges. Existing law authorizes the establishment of community college districts under the administration of community college governing boards, and authorizes these districts to provide instruction at community college campuses throughout the state.

Exiting law authorizes community college districts to establish and maintain extension programs meeting specified characteristics at specified community college campuses during summer and winter intersessions. Existing law requires that an extension credit course not supplant a course funded with state apportionments, and not be offered at times or in locations that supplant or limit the offering of programs that receive state funding or in conjunction with courses that receive state apportionment funding.

This bill would add a provision that defines "supplant."

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Existing law establishes the California State University, under the administration of the Trustees of the California State University, as one of the segments of public postsecondary education in this state. Existing law requires that self-supporting sessions at the university, known as special sessions, not supplant regular course offerings available on a non-self-supporting basis during the regular academic year.

This bill would require that these special session program course offerings not supplant or limit the number of regular course offerings that receive state funding at a campus of the university, and would require, to the extent possible, that each campus ensure that a course required as a condition of degree completion for a matriculated student be offered as a state-supported course. The bill would require that a matriculated student, who is required to enroll in a special session course in order to graduate complete his or her undergraduate degree because the state-supported version of that course is unavailable in the academic year, pay the lesser of the state-supported and special session course fee. The bill would require that all special session course offerings not exceed the number of state-supported section offerings of that course at a campus, and would authorize a campus, with the approval of the Chancellor of the California State University, to add a self-supporting version of a state-supported degree program course if specified conditions are satisfied constrain the addition os self-supporting special session sections of courses and the timing of special session programs, as specified, unless the campus receives approval from the Chancellor of the California State University and certain conditions are satisfied. The bill would require the chancellor to provide guidance to campuses regarding how to comply with this bill, and would require the trustees to annually certify compliance with these conditions.

Vote: majority. Appropriation: no. Fiscal committee: yes. State-mandated local program: no.

The people of the State of California do enact as follows:

- SECTION 1. Section 78230 of the Education Code is amended to read:
- 78230. (a) For the purposes of this section, the following terms have the following meanings:
- 5 (1) "Eligible community college campus" means one of the following campuses:
- 7 (A) College of the Canyons.

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- 1 (B) Crafton Hills College.
- 2 (C) Long Beach City College.
- 3 (D) Oxnard College.

- 4 (E) Pasadena City College.
 - (F) Solano Community College.
 - (2) "Eligible community college district" means a community college district with an eligible community college campus.
 - (b) (1) The Office of the Chancellor of the California Community Colleges shall establish a voluntary pilot program through which an eligible community college campus may establish and maintain extension programs offering credit courses during summer and winter intersessions. The governing board of an eligible community college district may request to participate in the pilot program.
 - (2) It is the intent of the Legislature that at least one participating campus should begin implementation of the pilot program by January 2014, and that an additional five campuses should implement the pilot program by July 1, 2014.
 - (c) An extension program established pursuant to this section shall have all of following characteristics:
 - (1) The program shall be self-supporting and all costs associated with the program shall be recovered.
 - (2) Enrollment in the pilot program shall not be reported for state apportionment funding, but program enrollment shall be open to the public pursuant to Section 51006 of Title 5 of the California Code of Regulations.
 - (3) The program shall be developed in conformance with this code and Division 6 (commencing with Section 50001) of Title 5 of the California Code of Regulations related to community college credit courses.
 - (4) The program shall be subject to community college district collective bargaining agreements.
 - (5) The program shall apply to all courses leading to certificates, degrees, or transfer preparation.
 - (d) (1) To participate in the pilot program, an eligible community college district shall satisfy all of the following criteria:
 - (A) The district shall have served a number of students equal to, or beyond, its funding limit for the two immediately prior academic years, as provided in the annual Budget Act and as

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1 reported by the Office of the Chancellor of the California2 Community Colleges.

- (B) The district shall not have received a stability adjustment to state apportionment funding pursuant to Section 58776 of Title 5 of the California Code of Regulations in the prior two years.
- (C) All courses offered for credit that receive state apportionment funding shall meet basic skills, transfer, or workforce development objectives.
- (D) The district shall prioritize enrollment of students in courses offered that receive state apportionment funding in conformance with the legal authority of the governing board of the community college district, Section 66025.8 of this code, and Section 58108 of Title 5 of the California Code of Regulations, by promoting policies that prioritize enrollment in courses that receive state apportionment funding of students who are fully matriculated, as defined in Section 78212, and making satisfactory progress toward a basic skills, transfer, or workforce development goal.
- (E) The district shall prioritize enrollment in the extension program courses as follows:
- (i) First priority shall be given to current community college students who are eligible for resident tuition.
- (ii) Second priority shall be given to students who are eligible for resident tuition.
- (F) (i) The district shall limit the enrollment of students funded by the state in activity courses, as defined in Section 55041 of Title 5 of the California Code of Regulations. An applicant district shall not claim state apportionment funding for students who repeat either credit courses or noncredit physical education, or visual or performance arts courses that are part of the same sequence of courses, unless the student is doing so to meet degree or other local community college district requirements and is in compliance with Section 55041 of Title 5 of the California Code of Regulations.
- (ii) This subparagraph does not apply to disabled students taking adaptive activity courses, students participating in intercollegiate athletics, or students with an approved educational plan majoring in physical education or the performing arts.
- (2) The Office of the Chancellor of the California Community Colleges, to the extent feasible, shall determine whether an eligible community college district meets the criteria outlined in paragraph (1) prior to its participation in the pilot program.

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(e) For a student who is not categorically exempt from nonresident tuition, the community college district shall charge all statutorily authorized fees applicable to nonresident students, including, but not limited to, fees authorized pursuant to Section 76141 or 76142, for his or her enrollment in courses offered pursuant to the pilot program.

- (f) The governing board of an eligible community college district shall not expend General Fund moneys to establish and maintain the extension program.
- (g) (1) An extension credit course shall not supplant any course funded with state apportionments and shall not be offered at times or in locations that supplant or limit the offering of programs that receive state funding or in conjunction with courses that receive state apportionment funding. An eligible community college district shall not reduce a state-funded course section needed by students to achieve basic skills, workforce training, or transfer goals, with the intent of reestablishing those course sections as part of the extension program. The governing board of an eligible community college district shall annually certify compliance with this subdivision by board action taken at a regular session of the board.
- (2) For purposes of this section, "supplant" means to increase the number of special session program course offerings and to correspondingly decrease the number of regular course offerings at a campus.
- (h) A degree credit course offered as an extension course shall meet all of the requirements of subdivision (a) of Section 55002 of Title 5 of the California Code of Regulations, as it exists on January 1, 2013.
- (i) The governing board of an eligible community college district may charge students enrolled in an extension course a fee that covers the actual cost of the course and that is based upon the district's nonresident fee rate for the year the course is offered. For purposes of this subdivision, "actual cost" includes the actual cost of instruction, necessary equipment and supplies, student services and institutional support, and other costs of the community college district used in calculating the costs of education for nonresident students, including the administrative costs incurred by the Office of the Chancellor of the California Community Colleges in providing oversight of the pilot program.

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(j) In order to assist in providing access to extension courses for students eligible for the Board of Governors fee waiver, one-third of the revenue collected pursuant to subdivision (i) shall be used by the district to provide financial assistance to these students. In addition to the one-third of the revenues collected, a participating district shall supplement financial assistance with funds from campus foundations or any other nonstate funds.

- (1) Each participating community college district shall develop a plan for collecting and dispursing financial assistance provided pursuant to this subdivision.
- (2) Participating districts shall include a description of the financial assistance plan in their annual reports to the Office of the Chancellor of the California Community Colleges in accordance with subdivision (n). Participating districts shall report, at a minimum, all of the following:
- (A) The number and percentage of participating students who are receiving financial assistance.
- (B) The criteria used for determining eligibility for, and prioritizing awards of, financial assistance for students.
- (C) Methods for communicating financial assistance information to students.
- (D) Total amount of financial aid disbursed and the sources of the aid.
- (E) Information on the proportion of students whose extension program fees are subsidized with financial assistance, the percentage of total fees that is paid by financial assistance for individual students, with this information aggregated in ways that assist in evaluating the consequence and equity of the financial assistance program, and the sources of the financial assistance.
- (k) A community college district maintaining an extension program under this section shall make every effort to encourage broad participation in the program and support access for students eligible for Board of Governors fee waivers, including, but not limited to, providing students with information about financial aid programs, the American Opportunity Tax Credit, military benefits, scholarships, and other financial assistance that may be available to students, as well as working with campus foundations to provide financial assistance for students attending extension programs. In addition, the district shall adopt enrollment priority and student support policies ensuring that students who are eligible for state

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financial aid are not disproportionately shifted from courses that receive state apportionment funding to courses offered under the pilot program.

- (*l*) (1) Each eligible community college district participating in the pilot program shall do both of the following:
- (A) Collect and keep records that measure student participation, student demographics, and student outcomes in a manner consistent with records collected by community college districts in regular eredit programs supported through state apportionments, including an analysis of program effects, if any, on district workload and district financial status. A community college district shall submit this information to the Office of the Chancellor of the California Community Colleges by October 1 of each year.
- (B) Submit a schedule of fees established pursuant to subdivision (i) to the Chancellor of the California Community Colleges by August 1 of each year.
- (2) The chancellor shall submit all of the information provided by community college districts pursuant to paragraph (1) to the Legislative Analyst's Office by November 1 of each year.
- (3) (A) No later than January 1, 2017, the Legislative Analyst's Office shall, pursuant to Section 9795 of the Government Code, provide to the Legislature a written report that evaluates the pilot program established by this article.
 - (B) The report shall include all of the following:
- (i) Summary statistics relating to course offerings, student enrollment, including demographic data on the students enrolled in courses, if available, financing, student use of financial aid, funding, and course completion rates for the pilot program.
- (ii) A determination of the extent to which the pilot program complies with statutory requirements and the extent to which the pilot program results in expanded access for students.
- (iii) An assessment of the effect of the pilot program on the availability of, and enrollment in, courses that receive state apportionment funding, with particular attention to the demographic makeup and financial aid status of students enrolled in those courses.
- (iv) Recommendations as to whether the pilot program should be extended, expanded, or modified. In making recommendations, the Legislative Analyst's Office shall consider alternative

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approaches that might achieve the goal of expanded access without
increasing state funding.

- (m) Courses offered by the extension program established and maintained under this section may only be offered during summer and winter intersessions.
- (n) (1) No later than March 31, 2014, the Board of Governors of the California Community Colleges shall adopt reporting requirements for the pilot program that conform with the requirements of Article 2 (commencing with Section 84030) of Chapter 1 of Part 50, and the information reported shall be included in the annual audit process.
- (2) An eligible community college district that fails to comply with the requirements established by the Board of Governors of the California Community Colleges for the pilot program pursuant to paragraph (1) or no longer meets the criteria set forth in subdivision (d) shall be ineligible for participation in the pilot program.

SEC. 2.

SECTION 1. Section 89708 of the Education Code is amended to read:

- 89708. (a) Except as provided in subdivision (c), tuition fees adequate, in the long run, to meet the cost of maintaining special sessions in the California State University shall be required of, and collected from, students enrolled in each special session under and pursuant to rules and regulations prescribed by the trustees.
- (b) (1) "Special sessions," as used in this division, means self-supporting instructional programs conducted by the California State University. The special sessions shall include, but not be limited to, career enrichment and retraining programs. It is the intent of the Legislature that those programs, currently offered on a self-supporting basis by the California State University during summer sessions, may be provided throughout the year, and shall be known as special sessions.
- (2) The offering of a self-supporting special session course sessions shall not supplant a regular course offering offerings available on a state-supported basis during the regular academic year, including summer and winter intersessions. year.
- (3) For the purposes of this section, a special session course "supplants" a state-supported course when—a an undergraduate matriculated student is required to take a more expensive special

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session course to graduate because a state-supported section of that course is unavailable either because the state-supported course is not offered that term or because all state-supported sections are full *during the academic year* at the student's campus.

- (c) To the extent possible, each campus shall ensure that any course required as a condition of *undergraduate* degree completion for a matriculated student shall be offered as a state-supported course. A matriculated student who is required to take a special session course to—graduate complete his or her undergraduate degree because a state-supported section of that course is unavailable in the academic year at the student's campus shall pay the lesser of the state-supported section and special session course fee. In complying with this subdivision, the campus shall ensure, to the extent possible, that general fund money is not used to support a matriculated student's enrollment in a special session program, section, or course to the extent possible.
- (d) Officials Except as provided in subdivision (g), officials of a campus shall not reduce the number of state-supported-section sections of an undergraduate course—offerings offering while increasing the number of offerings sections of the self-supporting version of that course.
- (e) Officials Except as provided in subdivision (g), officials of a campus shall not offer special session programs at that campus at times or in locations that limit the number of regular course offerings that receive state funding.
- (f) The Except as provided in subdivision (g), the number of special session sections of any individual course, including online courses, shall not exceed the number of state-supported sections of that course at a campus.
- (g) With approval from the Chancellor's office, a campus may add a self-supporting section of a *course in a* state-supported *undergraduate* degree programcourse, add an undergraduate degree program, or increase the number of self-supporting sections of an undergraduate course offering so long as all of the following are satisfied:
- (1) The campus has made the determination that state resources are inadequate to provide for additional state-supported sections.
- (2) There is no corresponding reduction in the *aggregate* number of state-supported—sections course offerings on that campus. However, this paragraph applies only to an academic year for

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which the annual Budget Act has not reduced the budget of the California State University from the prior year's funding level.

(3) There is still sufficient demand to sustain both the state-supported and the self-supporting course sections.

(4)

- (3) The self-supporting section or sections comply with all applicable state laws and systemwide and campus policies.
- (h) The chancellor shall provide guidance to the campuses regarding how to comply with this section. The trustees shall annually certify compliance with this section at a regular meeting of the board and shall transmit that certification to the Legislature no later than June 30 of each academic year.

SEC. 3.

SEC. 2. It is the intent of the Legislature that the California State University shall receive funding sufficient to provide core curriculum through state-supported academic programs, that a matriculated student of the California State University is entitled to a postsecondary education within the bounds of a state-supported tuition and fee structure, and that a campus of the California State University-shall is able to ensure that a student is not-require a student required to enroll in a special session program, section, or course in order to receive his or her postsecondary education in a timely manner.